

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: _____
Lehman Brothers Holdings Inc., et al., _____
Debtors. _____

Chapter 11 Case No.

08-13555

JANUARY 2020 POST-EFFECTIVE OPERATING REPORT

JANUARY 1, 2020 – JANUARY 31, 2020
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

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REPORT PREPARER: LEHMAN BROTHERS HOLDINGS INC., AS PLAN ADMINISTRATOR

Date: **February 28, 2020**

SCHEDULE OF DEBTORS

The twenty three entities listed below (the “Debtors”) filed for bankruptcy in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) on the dates indicated below. On December 6, 2011, the Bankruptcy Court confirmed the Modified Third Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and its Affiliated Debtors (the “Plan”). On March 6, 2012, the “Effective Date” (as defined in the Plan) occurred. As of the date hereof, the following Debtors’ chapter 11 cases remain open:

	Case No.	Date Filed ("Commencement Date")
Lehman Brothers Holdings Inc. (“LBHI”)	08-13555	9/15/2008
Lehman Brothers Special Financing Inc. (“LBSF”)	08-13888	10/3/2008
Lehman Brothers OTC Derivatives Inc. (“LOTC”).....	08-13893	10/3/2008
Lehman Commercial Paper Inc. (“LCPI”).....	08-13900	10/5/2008
BNC Mortgage LLC	09-10137	1/9/2009

The following Debtors’ chapter 11 cases were closed in 2016, 2018 and 2019, pursuant to final decrees entered by the Bankruptcy Court (Docket No. 51920, No. 54163, No. 58257, and No. 59472):

	Case No.	Date Filed	Date Closed
LB 745 LLC.....	08-13600	9/16/2008	1/28/2016
PAMI Statler Arms LLC.....	08-13664	9/23/2008	1/28/2016
CES Aviation LLC	08-13905	10/5/2008	1/28/2016
CES Aviation V LLC.....	08-13906	10/5/2008	1/28/2016
CES Aviation IX LLC	08-13907	10/5/2008	1/28/2016
LB 2080 Kalakaua Owners LLC	09-12516	4/23/2009	1/28/2016
LB Somerset LLC	09-17503	12/22/2009	1/28/2016
LB Preferred Somerset LLC	09-17505	12/22/2009	1/28/2016
East Dover Limited.....	08-13908	10/5/2008	12/15/2016
Luxembourg Residential Properties Loan Finance S.a.r.l.....	09-10108	1/7/2009	12/15/2016
Merit LLC.....	09-17331	12/14/2009	12/15/2016
Lehman Brothers Derivative Products Inc. (“LBDP”)	08-13899	10/5/2008	06/14/2018
Lehman Brothers Financial Products Inc. (“LBFP”)	08-13902	10/5/2008	06/14/2018
Lehman Scottish Finance L.P.	08-13904	10/5/2008	06/14/2018
LB Rose Ranch LLC	09-10560	2/9/2009	06/14/2018
Lehman Brothers Commodity Services Inc. (“LBCS”).....	08-13885	10/3/2008	02/11/2019
Lehman Brothers Commercial Corporation (“LBCC”).....	08-13901	10/5/2008	02/11/2019
Structured Asset Securities Corporation.....	09-10558	2/9/2009	02/11/2019

The Company has established an email address to receive questions from readers regarding its financial disclosures. The Company plans to review questions received, and for those subjects which the Company determines a response would not (i) violate a confidentiality provision, (ii) place the Company in a competitive or negotiation disadvantage, or (iii) be unduly burdensome relative to the value of information requested, the Company shall endeavor to post a response (maintaining the anonymity of the originators of the questions). The Company assumes no obligation to respond to email inquiries.

Please email questions, with document references as relevant, to:

QUESTIONS@lehmanholdings.com

The Company’s previously posted responses can be found on the Epiq website maintained for the Company:

www.lehman-docket.com under the Key Documents tab and the Responses to Questions Submitted category

LEHMAN BROTHERS HOLDINGS INC. AND OTHER DEBTORS AND DEBTOR-CONTROLLED ENTITIES

BASIS OF PRESENTATION
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
JANUARY 1, 2020 – JANUARY 31, 2020

The information and data included in this January 2020 Post-Effective Operating Report (the “Operating Report”) are derived from sources available to LBHI, as Plan Administrator, and its Controlled Entities (collectively, the “Company”). The term “Controlled Entities” refers to those entities that are directly or indirectly controlled by LBHI, and excludes, among others, those entities that are under separate administrations in the United States or abroad. LBHI and certain of its Controlled Entities filed for protection under Chapter 11 of the Bankruptcy Code, and those entities are referred to herein as the “Debtors”. The Debtors’ Chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure. LBHI has prepared this Operating Report, which includes certain information as required by the Office of the US Trustee, based on the information available to LBHI at this time, but notes that such information may be incomplete and may be materially deficient in certain respects. This Operating Report is not meant to be relied upon as a complete description of the Debtors, their business, condition (financial or otherwise), results of operations, prospects, assets or liabilities. LBHI reserves all rights to revise this report.

Other items:

1. This Operating Report is not prepared in accordance with U.S. generally accepted accounting principles (GAAP), is not audited and will not be subject to audit or review by the Company’s external auditors at any time in the future. Cash balances and activity denominated in foreign currencies have been converted to US Dollars.
2. Beginning and ending balances include demand deposits, interest-bearing deposits with banks, U.S. money-market funds, U.S. government obligations, and investment grade corporate bonds and commercial paper.
3. Beginning and ending cash balances are based on preliminary closing numbers and are subject to adjustment.

Unaudited (\$ in millions, foreign currencies reflected in USD equivalents)

	LBHI	LBSF	Debtors LCPI	Other	Total	Debtor-Controlled Entities Total	Total Debtors and Debtor-Controlled Entities
Beginning Free Cash and Investments (01/01/20)	\$ 43	\$ 6	\$ 2	\$ 2	\$ 53	\$ 74	\$ 127
Sources of Cash							
Financial Instruments	1	0	-	-	2	1	3
Receipts from Affiliates	-	-	-	-	-	-	-
Other	0	0	0	0	0	0	0
Total Sources of Cash	2	0	0	0	2	2	4
Uses of Cash							
Non-Operating	(0)	-	-	-	(0)	-	(0)
Operating Expenses	(a) (18)	(0)	(0)	(0)	(18)	(1)	(19)
Total Uses of Cash	(18)	(0)	(0)	(0)	(18)	(1)	(19)
Total Cash From Operations	(16)	0	0	0	(16)	0	(15)
Post-Petition Inter-Company Receipts	(b) 0	18	57	-	75	2	78
Dividend Receipts	15	-	-	-	15	-	15
Total Inter-Company Transfers Receipts	15	18	57	-	91	2	93
Post-Petition Inter-Company Disbursements	(b) (77)	(1)	-	-	(77)	(0)	(78)
Dividend Disbursements	-	-	-	-	-	(15)	(15)
Total Inter-Company Transfers Disbursements	(77)	(1)	-	-	(77)	(15)	(93)
Other	0	0	0	-	0	(0)	0
Reclass from/(to) Restricted Cash	92	-	1	-	93	(1)	92
Net changes in Free Cash and Investments	15	18	58	0	91	(14)	77
Ending Free Cash and Investments (01/31/20)	58	24	60	2	144	60	205
Beginning Restricted Cash (01/01/20)	213	10	5	0	228	17	245
Reclass (to)/from Free Cash and Investments							
Operating Expenses and Incentive Fees	(19)	-	-	-	(19)	-	(19)
Other	(b) (74)	-	(1)	-	(75)	1	(74)
Net Changes in Restricted Cash	(92)	-	(1)	-	(93)	1	(92)
Ending Restricted Cash (01/31/20)	120	10	4	0	135	18	152
Beginning Total Cash and Investments (01/01/20)	256	16	7	2	281	91	372
Net changes in Free Cash and Investments	15	18	58	0	91	(14)	77
Net changes in Restricted Cash	(92)	-	(1)	-	(93)	1	(92)
Ending Total Cash and Investments (01/31/20)	\$ 178	\$ 34	\$ 64	\$ 2	\$ 279	\$ 78	\$ 357

All values that are exactly zero are shown as "-". Values between zero and \$0.5 million appear as "0".

Totals may not foot due to rounding.

LEHMAN BROTHERS HOLDINGS INC. and other Debtors and Debtor-Controlled Entities**Schedule of Cash Receipts and Disbursements****January 1, 2020 - January 31, 2020**

Unaudited (\$)

Notes:

(a) Operating expenses include contractual payments for compensation and benefits to Lehman employees of approximately \$15 million for services performed in 2019 and prior. Additionally, a portion of the Operating Expenses paid by LBHI is subject to allocations to, and reimbursement from, various Debtors and Debtor-Controlled Entities.

(b) In December 2019, LBHI entered into agreements with LCPI and LBSF whereby LBHI agreed to purchase LCPI's remaining assets and certain obligations and LBSF's Allowed Claims into LBHI, respectively. LBHI restricted the cash for these transactions in December 2019, and the transactions were settled on January 2, 2020.